

By: Pitts

H.B. No. 390

Substitute the following for H.B. No. 390:

By: Laubenberg

C.S.H.B. No. 390

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the effect of tax increment financing by certain taxing
3 units in the calculation of ad valorem tax rates for those taxing
4 units.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 26.03(c), Tax Code, is amended to read as
7 follows:

8 (c) The portion of the captured appraised value of real
9 property taxable by a taxing unit that corresponds to the portion of
10 the tax increment of the unit from that property that the unit has
11 agreed to pay into the tax increment fund for a reinvestment zone
12 and that is not included in the calculation of "new property value"
13 as defined by Section 26.012 is excluded from the value of property
14 taxable by the unit in any tax rate calculation under this chapter.

15 SECTION 2. This Act takes effect January 1, 2004, and
16 applies to the tax rate calculations under Chapter 26, Tax Code,
17 only for a tax year that begins on or after the effective date of
18 this Act.